



Digital Hub Development Agency

**Code of Business Conduct for Board Members
in accordance with Section 2.1 of the
Code of Practice for the Governance of State Bodies**

Code of Business Conduct for Board Members

This code sets out the standards of business conduct to which the members of the Board of DHDA agree to adhere in the performance of their duties. The Board requires that the members of boards and committees, to whom the Board has delegated certain of its powers, should also be bound by this Code of Conduct.

The underlying principle of the code is that Board Members¹ will strive to perform their duties in accordance with the highest ethical standards of honesty, integrity, fairness, confidentiality and independence, and will actively seek to prevent the development or acceptance of unethical practices.

Board members will act at all times in accordance with the law and, in particular, with:

- the Ethics in Public Office Acts 1995 and 2001
- the provisions of the Companies Acts as amended from time to time
- The State Body Guidelines published by the Department of Finance (1992) as amended from time to time
- All statutory and regulatory obligations imposed by EU and National authorities in respect of purchasing procedures

In fulfilment of the provisions of the above, the Board has agreed to act in accordance with the following procedures:

- a. Ethics in Public Office Acts 1995 and 2001:
Board Members will fulfil the disclosure requirements of the Ethics in Public Office Acts 1995 and 2001.

¹ Defined as members of the main Board of Digital Hub Development Agency and those members appointed by the Board to boards and committees to which the main Board has delegated powers.

Ethics in Public Office Act requires that persons in State bodies who hold designated directorships and designated positions of employment must make an annual statement or declaration of those interests (as defined in the Act) which could materially influence them in the performance of their functions and refrain them from exercising such functions in accordance with the Act. The annual statement, which may be updated if interests change, must be made to a designated person within the State body, in accordance with the provisions of the Act, and, in the case of those who hold designated directorships, to the Public Offices Commission established under the Act.

b. Department of Finance “State Agency Guidelines”

In addition, upon appointment each Board Member will provide the Secretary with details relating to his/her employment and all other business interests. These beneficial interests² will include shareholdings³, professional relationships etc., which in his/her judgement, could involve a conflict of interest or could materially influence the member in relation to the performance of his/her functions as a member of the Board. Any interests of a member’s household/family, or a person or body connected with the member, which could involve a conflict of interest or could materially influence the member in the performance of his/her functions will also disclosed.

i. Definition of Family/connected person:

The Board notes that, for this purpose, persons and bodies connected with a member are defined, in the Department of Finance’s “State Body Guidelines”, as including:

- (a) A spouse, parent, brother, sister, child or step child
- (b) A body corporate with which a member is associated
- (c) A person acting as the trustee of any trust, the beneficiaries of which include the member or the persons at (a) above or the body corporate at (b) above
- (d) A person acting as a partner of a member or of any person or body who, by virtue of (a) – (c) above is connected with a member

In so doing, Board Members agree to disclose, in relation to those family members and connected persons referred to at (a) and (d) above, such information as could reasonably be known to them. To enable them to comply fully, the Board has voluntarily agreed to seek this information in respect of spouses/partners and dependent children.

c. Procedures

- ii. Details of the above interests will be kept by the Secretary in a confidential register and will be updated on an annual basis.

² Section 15 (3) excludes interests, which are so remote or insignificant that they cannot reasonably be regarded as likely to influence the Board Member in performing their duties.

³ Department of Finance’s “State Body Guidelines” state that Boards may exercise discretion in this definition but that normally a shareholding valued at more than €6,348 in the shares of a company or of more than 5% of the issued share capital would not be considered minor”

- iii. Board Members will notify the Secretary of changes in the interim as soon as possible. Except as required by law, or as agreed otherwise by the Board, only the Chairperson and Secretary will have access to the register.
- iv. In the event of a matter relating to the interests of the Chairperson arising, he/she will deputise another board member to chair the Board meeting and will absent him/herself when the Board is deliberating or deciding on the matter.
- v. All documents on any proposal, that relates to any dealings with the above interests, or to properties involving competitors of the above interests, will indicate if they are restricted from any Board Member. Particulars of all restrictions will be recorded in the minutes of the meeting concerned.
- vi. Documents will not be made available to Board Members from whom they are restricted. If a relevant member receives such documents inadvertently, or in error due to changed circumstances, he/she will return them immediately to the Secretary.
- vii. Relevant Board Members will absent themselves during the discussion and decision making relating to the document. In such cases, a separate minute of the decision (to which the relevant Board Member will not have access) will be maintained.
- viii. Where a question arises as to whether or not a case relates to the interests of a Board Member, the Chairperson will determine the question and his or her decision will be final.
- ix. Where a question arises as to whether a course of conduct, if pursued by a person, would be a failure to comply with these guidelines, the question will be determined by the Board and particulars of the determination will be recorded in the minutes of the meeting concerned.

a. Disclosure of Transactions

i. Notes to the Financial Statements

In the normal course of business, DHDA may enter contractual arrangements in preference and ordinary shares and enter into other contractual arrangements with undertakings in which DHDA Board Members are employed or otherwise interested.

In the Notes to the Financial Statements each year, a summary of such transactions is published and the Board has agreed that the detailed schedule should be made available on request.

ii. Scope of transactions

In the interests of providing as great a degree of transparency as possible in relation to the declared interests of Board Members, Board Members agree that the definition of "Companies with which Board members are employed or otherwise interested" should include those companies in which members have direct shareholdings. This wider definition of Board Members interests is only relevant where DHDA is also involved with the company.

Shares held at arm's length, through trusts or funds, and controlled by independent trust or fund managers e.g. Unit Trusts or BES Funds, are not included.

e. Information – Achieving a Balance

i. Supporting the Principle of Access

The Board of DHDA supports the principle⁴ of access to general information relating to its activities in a way that encourages a spirit of accountability to its shareholders, clients and to the general public.

ii. Restrictions and Exemptions

However, except as required by law, Board Members will not disclose any information obtained while performing their duties. The Board is interpreting this to mean confidential, personal or commercially sensitive information. This requirement will apply both during and after their term of office.

f. Dealing in shares, property or otherwise

i. Insider Trading

The Board notes that it is a criminal and a civil offence⁵, with serious penalties, for a person who is connected with public company (including a person that might reasonably be expected to

⁴ Enshrined in the Freedom of Information Act and the Data Protection Act

⁵ Part V of the Companies Act 1990

have price sensitive information by virtue of business dealings or other relationships with the company) to deal in securities when he/she is in possession of price sensitive information.

ii. Use of information for dealing purposes

In addition to their obligations under law, Board Members voluntarily agree not to use any information obtained by virtue of their position for the purpose of dealing (direct or indirect) in shares, property or otherwise.

g. Gifts and Preferential Treatment

Board Members undertake not to give or receive corporate gifts, hospitality, preferential treatment or other benefits that might affect, or appear to affect the ability of the donor or the recipient to make independent judgments on business transactions involving DHDA.

The Board may, in the furtherance of their duties, take independent professional advice, if necessary, and at the reasonable expense of the Agency.

The Board will review this Code of Conduct annually, or more frequently should circumstances require.